



Committee On Finance

Max Baucus, Ranking Member

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Baucus Applauds Progress in Implementation of Prescription Drug Benefit *Senator Expresses Concern Over Key Provisions Found in Regulations*

(WASHINGTON, D.C.) U.S. Senator Max Baucus, Ranking Member of the U.S. Senate Finance Committee, commended the Centers for Medicare and Medicaid Services (CMS) for issuing the final regulations implementing the 2003 Medicare prescription drug legislation. The regulations establish a new prescription drug benefit and provide expanded private plan options through Medicare Advantage beginning January 1, 2006. But Baucus expressed reservations concerning key provisions of the regulations.

“I would like to applaud CMS for their hard work producing the regulations on time to have the benefits up and running next January,” Baucus said. “I remain a proud supporter of the Medicare prescription drug bill. While certainly not perfect, I believe this bill holds the promise of providing long-overdue and much-needed prescription drug assistance to millions of seniors and disabled Americans. But I remain concerned about important implementation decisions made by CMS. I am taking a hard look at the regulations to ensure the law is being applied the right way for Medicare beneficiaries.”

In the past, Baucus has expressed serious reservations about the lack of detail for many major components of proposed regulations published in August 2004. In particular, Baucus said he plans to carefully analyze the final regulations to ensure that CMS addressed his concerns in the following areas:

- The transition from Medicaid drug coverage to Medicare for the more than 6 million beneficiaries who are eligible for both programs;
- Consumer protections to ensure all Medicare beneficiaries have access to necessary medications;
- Rules concerning the subsidies for employers to encourage them to maintain retiree drug coverage;
- Rules for the interactions between state pharmacy plans and the Medicare benefit;
- Rules for calculating payments to states, known as the “clawback”;
- Access standards to ensure appropriate access to pharmacies, especially in rural regions;
- And the rules governing access to drugs for Indian populations, nursing home residents, and special needs populations.

Baucus emphasized that his continued support for the legislation depends on the way the CMS implements it. “Millions of seniors and disabled Americans are depending on this assistance. We have a critical responsibility to make sure that the bill is implemented fairly and according to the Congressional intent. We must make sure all Medicare beneficiaries receive the benefits to which they are entitled under the law.”

Baucus said he looks forward to carefully reviewing the regulations and continuing to work with the Administration and Members of Congress to establish the Medicare prescription drug program as quickly as possible.

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